

UK Aggressive Fund

August 2014

Covering the month of July 2014



Fund Manager: Martin Walker

Key facts¹

Martin Walker	citywire / AAA
Fund launch date	02 July 2001
Fund size	£261.10m
Legal status	UK authorised ICVC
Yield (Accumulation share class)	
Historic yield ²	1.27%
Income distribution date	28 February
Accounting period ends	31 December 30 June
Available within an ISA?	Yes

Market commentary

A small fall in the FTSE All-Share index in July has meant that the recent low level of volatility and modest monthly changes in the UK equity market has been maintained. Notwithstanding this, the economic news remains encouraging with the economy continuing to expand. The preliminary estimate of GDP was released which showed a quarterly rise of 0.8%. The latest unemployment figures were also released which showed a further fall to 6.5% and this rate was the lowest since December 2008. Additionally CPI inflation showed a rise from 1.5% in May to 1.9% in June. Companies in the news included Rio Tinto which announced encouraging Q2 production figures. Friends Life announced an agreement to sell Lombard International and to use the proceeds to help fund a buy-back of its shares. BP announced results for the second quarter in which it said that any sanctions imposed internationally on Russia may have negative implications for its business there.

Fund strategy

Over the last two years the UK equity market has made a considerable recovery, which we believe has allowed UK stock market valuations of companies to move closer to fair value. Despite this we believe that corporate earnings can grow from here, albeit at a more modest pace. Combining this with the ability to find value in individual companies, the fund manager believes positive returns can be made over the medium term.

Investment objective

The Invesco Perpetual UK Aggressive Fund aims to achieve long term capital growth through a portfolio of primarily UK securities. Investment may occasionally be made in securities of companies with significant sources of profit from, or close economic links with, the UK. The fund will normally hold a concentrated portfolio of stocks and there will be no direct correlation to any specific index. In pursuing this objective, the fund managers may include investments that they consider appropriate which include transferable securities, money market instruments, warrants, collective investment schemes, deposits and other permitted investments and transactions as detailed in Appendix 2 of the most recent Prospectus.

Performance

	% growth							
	3 months	6 months	1 year	3 years	5 years	ACR*	10 years	ACR*
Fund (Accumulation share class)	0.61	1.04	12.67	75.85	129.53	18.08	189.12	11.20
IMA Sector	-0.94	1.86	6.43	33.85	84.12	12.98	122.56	8.33

*ACR - Annual Compound Return

Standardised rolling 12-month performance

	% growth				
	30.6.09	30.6.10	30.6.11	30.6.12	30.6.13
	30.6.10	30.6.11	30.6.12	30.6.13	30.6.14
Fund (Accumulation share class)	22.42	12.44	-1.29	45.58	21.29

Past performance is not a guide to future returns. Performance figures are shown in sterling on a mid-to-mid basis, inclusive of net reinvested income and net of the ongoing charge and portfolio transaction costs to 31 July 2014. The figures do not reflect the entry charge paid by individual investors. Chart figures overleaf are as at the end of the relevant month unless otherwise stated. The standardised past performance information is updated on a quarterly basis. Source: Lipper

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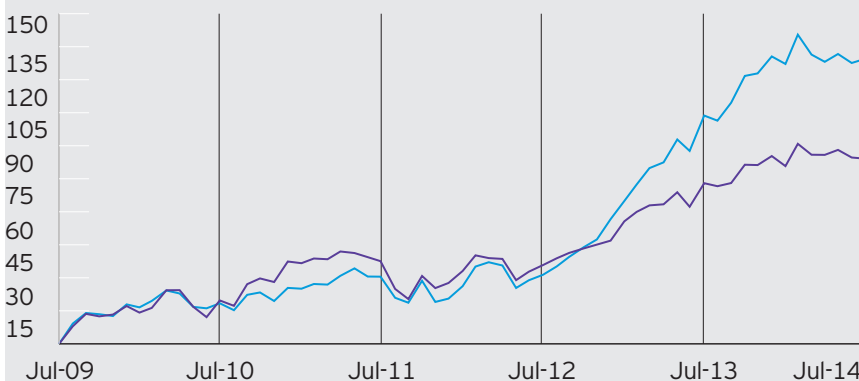
Top 10 holdings (as at 31.05.14) ¹	%
BT	5.97
HSBC	5.88
Royal Dutch Shell 'A'	5.80
BP	5.42
Rio Tinto	5.14
Legal & General	4.80
Friends Life	4.47
GKN	4.30
Rentokil Initial	4.16
BAE Systems	4.03
Total Top 10 Holdings (%)	49.97
Total number of holdings	32

Industry breakdown ^{1,3}	%
Financials	24.58
Consumer Services	15.31
Industrials	14.26
Oil & Gas	13.92
Telecommunications	8.92
Basic Materials	8.71
Consumer Goods	6.67
Health Care	4.25
Utilities	2.80
Cash	0.57
Total	100

Country of investment breakdown ¹	%
United Kingdom	96.52
France	2.90
Cash	0.57
Total	100

Five year performance

— Invesco Perpetual UK Aggressive Fund (Accumulation share class)
— IMA UK All Companies Sector



Past performance is not a guide to future returns. The chart shown above should be viewed in conjunction with the 'Standardised rolling 12-month performance' table overleaf.

- 1 All fund portfolio figures are as at date shown (source: Invesco Perpetual). For the protection of investors, 'Top 10 holdings' figures are shown two months behind.
- 2 The Historic Yield reflects distributions declared over the past twelve months as a percentage of the mid-market price of the fund, as at the date shown. It does not include any entry charge and investors may be subject to tax on their distributions. The fund's ongoing charge is charged to capital. This has the effect of increasing the distributions for the year by the amount of the ongoing charge and constraining the fund's capital performance to an equivalent extent.
- 3 The Industry Classification Benchmark is a joint product of FTSE International Limited and Dow Jones & Company, Inc. and has been licensed for use in our industry sector breakdown.

Investment risks

The value of investments and any income will fluctuate (this may partly be the result of exchange rate fluctuations) and investors may not get back the full amount invested.

As the fund has a concentrated number of holdings, investors should be prepared to accept higher risks.

The fund may use derivatives (complex instruments) in an attempt to reduce the overall risk of its investments, reduce the costs of investing or generate additional capital or income, although this may not be achieved. The use of such complex instruments may result in greater fluctuations of the value of the fund. The Manager, however, will ensure that the use of derivatives within the fund does not materially alter the overall risk profile of the fund.

Important information

Where Invesco Perpetual has expressed views and opinions, these may change.

For more information on our funds and available share classes, please refer to the most up to date relevant fund and share class-specific Key Investor Information Documents, the Supplementary Information Document, the ICVC ISA Key Features and Terms & Conditions, the latest Annual or Interim Short Reports and the latest Prospectus. This information is available using the contact details shown.

Invesco Perpetual's ISAs are managed by Invesco Asset Management Limited.

Telephone calls may be recorded.

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